

**OFFICE OF THE MISSISSIPPI SECRETARY OF STATE
CHARITIES DIVISION**

IN THE MATTER OF:

My Brother's Keeper, Inc.

Respondent

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**Administrative Proceeding
Number: C-12-0519**

CONSENT AGREEMENT

The Charities Division of the Mississippi Secretary of State's Office ("Division"), having the authority to administer and to provide for the enforcement of all provisions of the Mississippi Charitable Solicitations Act ("Act"), and My Brother's Keeper, Inc. ("Respondent") do hereby enter into this Consent Agreement in resolution of the following allegations by the Division of violations of certain provisions of the Act:

I. JURISDICTION

The Division has the power to regulate charitable solicitations under the Act codified at Miss. Code Ann. Section 75-71-501, et.seq. Respondent admits to the jurisdiction of the Division as to all matters contained herein under the authority of the Act.

II. ALLEGATIONS

A. Respondent is registered with the Division as a charitable organization within the meaning of Section 75-71-501(a) of the Act.

B. Respondent was the subject of a routine examination by the Division, commencing in November, 2011. During the course of that investigation, the following determinations were made:

1. Respondent used charitable funds in the approximate amount of Nineteen Thousand, Five Hundred Ninety Five Dollars (\$19,595.00) in violation of Section 79-11-509(d) of the Act to pay direct and ancillary expenses for the funeral and estate administration of its former director.
2. Respondent used charitable funds in the approximate amount of Four Thousand Six Hundred Sixty Five Dollars (\$4,665.00) in violation of Section 79-11-509(d) of the Act to purchase exercise equipment for the exclusive use of its office personnel.
3. Respondent's board operated with fewer board members than recommended by its own governance and either approved bonuses for employees without recording approval in the Board's Minutes, or caused Respondent to pay bonuses without formal board approval in violation of Section 79-11-525 of the Act.

III. STIPULATIONS

NOW, THEREFORE, it is hereby agreed as follows:

- C. Respondent admits to the jurisdiction of the Division as to all matters herein.
- D. Respondent neither admits, nor denies that its conduct was in violation of the Act.
- E. Respondent consents to the payment of Two Thousand Five Hundred Dollars (\$2,500.00) to be paid upon the execution of this Consent Agreement. Payment shall be remitted to the "Mississippi Secretary of State" and must be received by the Division within thirty (30) days of the execution of this Agreement.
- F. Respondent consents to complete the process of adding board members as it pledged in its response to the Division's findings.

G. Respondent acknowledges the Division's caution that the term "unrestricted funds" as employed by Respondent's donors does not mean that Respondent, its officers, directors, or employees may use said "unrestricted funds" for any purpose they see fit, including for personal and/or individual benefit. Respondent consents to revise its internal policy to prevent future misuse of charitable funds.

H. This Consent Agreement contains the entire understanding between the parties. Furthermore, the parties herein represent that they have read each provision, understand each provision, and agree to each provision herein.

I. A willful failure to comply with any of the terms, conditions or obligations of this Agreement will result in Respondent being deemed to be in violation of a lawful order made pursuant to the Act and, therefore, subject to the penalties available under the Act.

J. Respondent is aware of its right to a hearing on those matters set forth in the Order, at which it may be represented by counsel, present evidence and cross-examine witnesses. Respondent hereby irrevocably waives its right to such a hearing.

K. The entry of this Agreement represents the settlement of regulatory claims by the Division against Respondent only and does not, in any way, restrict or affect the rights or causes of action, if any, of any individual or entity.

L. This Agreement pertains only to those matters set forth in the Order, referred to above, and only to Respondent's involvement therein.

M. Respondent acknowledges that it has read this Consent Agreement in its entirety and fully understands the rights, terms, and obligations contained therein.

IV. OTHER MATTERS

N. In the event that Respondent fails to comply with the provisions of this Order, the Division may, without notice to the Respondent, unilaterally rescind this Order and institute any legal or administrative proceedings it deems appropriate including, but not limited to, proceedings to address the matters set forth herein.

WHEREFORE, the undersigned hereby acknowledges and agrees to the terms and conditions of the foregoing Agreement by written consent.

THIS, the 11th day of Dec., 2012.

C. DELBERT HOSEMAN, JR.
Secretary of State

By: 

JEFFREY LEE
Senior Attorney
Charities Division

Date: 12-11-12

MY BROTHER'S KEEPER, INC.

By: 

Title: President/CEO

Date: 12-18-12

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MY BROTHERS KEEPER GENERAL ACCOUNT
Secretary of State

12/18/2012

Cash in Bank - WF - Payment to Secretary of State Office

2,500.00